



## GSA Federal Acquisition Training Symposium

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Huntsville, AL

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# Army Services Acquisition DASA(P)

# Deputy Assistant Secretary of the Army (Procurement) Army Services Overview

25 April 2017



**Mr. Harold Williams**  
**Deputy Senior Services Manager**  
**Deputy Assistant Secretary of the Army**  
**(Procurement)**

## Services Overview

- **Services acquisitions are more than 60% of the total Army contract spend**
  - FY 15: Army products and services contract Spend = \$72.7B, of which services = \$45.4B (62%)
  - FY 16: Army products and services contract spend = \$74.1B, of which services = \$45.3B (61%)
  - Anticipate relatively steady services spend over the POM cycle
- **Delivering Readiness**
  - Over 120.5k contractor FTEs employed on Army service contracts

**Acquisition of contracted services is  
Command Responsibility**



# Services Acquisition Management

Army's services acquisition lead:

- Provides policy, oversight, governance and regulatory guidance
- Assists CSEs and ACLLs with strategic management, and execution

Senior Services Manager (SSM)

Command level lead for services acquisitions :

- Provides executive oversight & implement
- Manages services spending
- Accountable for semi-annual requirements forecasts and quarterly costs savings
- Ensures command personnel are properly resourced and trained

Command Services Executive (CSE)

Goal:  
Effective strategic management of services acquisition

Portfolio Specific Commodity Managers (SSM Staff)

Informs Army Leadership by assessing and analyzing:

- Army-wide services coordination
- Spend/obligations
- Requirements
- Market (by Portfolio)
- Areas for improvement and/or potential efficiencies

6 Army Commands provide Portfolio Expertise and assistance to SSM/PSCMs

Army Component Level Lead (ACLL)

Army's strategic functional area lead:

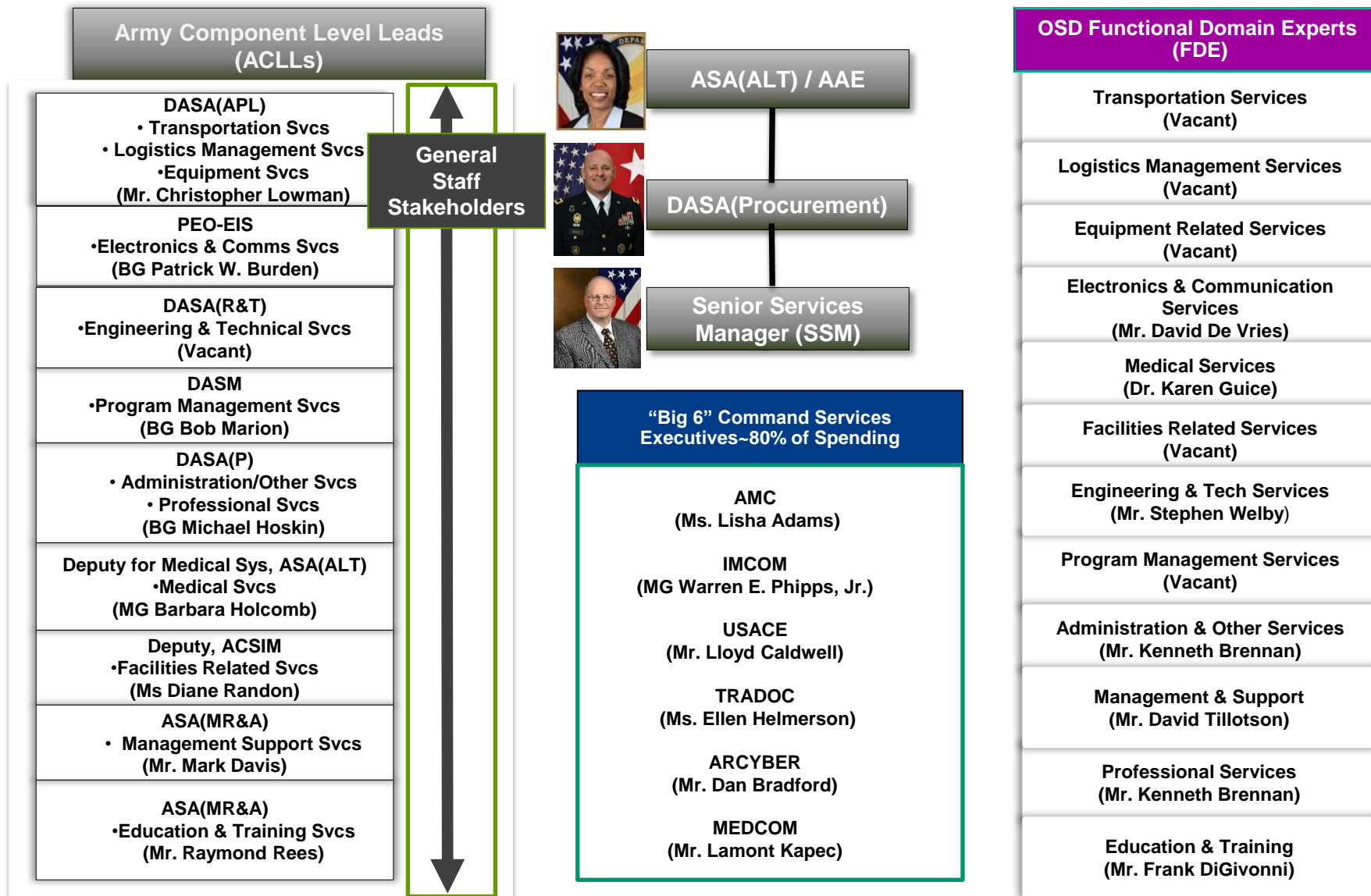
- Champion improvements in cost, schedule, and performance
- In concert with the SSM and CSEs, develop strategies/processes to achieve increased efficiencies and productivity in services acquisition





# Army Services Acquisition Leadership

Policy, Oversight and Active Management of Services





# Services Policies and Procedures

## Policies

### Acquisition Strategy

- DODI 5000.74

### AFARS 5137

- Service Contracting: (Regulation) AFARS 5137
- Updated May 2016

### AR 70-13 (Revision in-progress)

Management and Oversight of Service Acquisitions undergoing revisions to reflect FY13 and beyond services management and oversight concepts

Proposed SEC Army Memo / G3 ALARACT to implement DoDI - Delegations IAW DoDI 5000.74

## Procedures

### Services Acquisition DODI 5000.74

- DASA(P) /SSM Approval:  $\geq$ \$250M
- DASA(P) Approval of Source Selection Authority  $\Rightarrow$  \$500M

### Army Service Strategy Panel (ASSP)

- Required  $\geq$ \$250M
- Held if questions on Acquisition Strategy are unresolved between DASA(P) and customer
- Waived by ASSP Chair (SSM)

### Peer Reviews

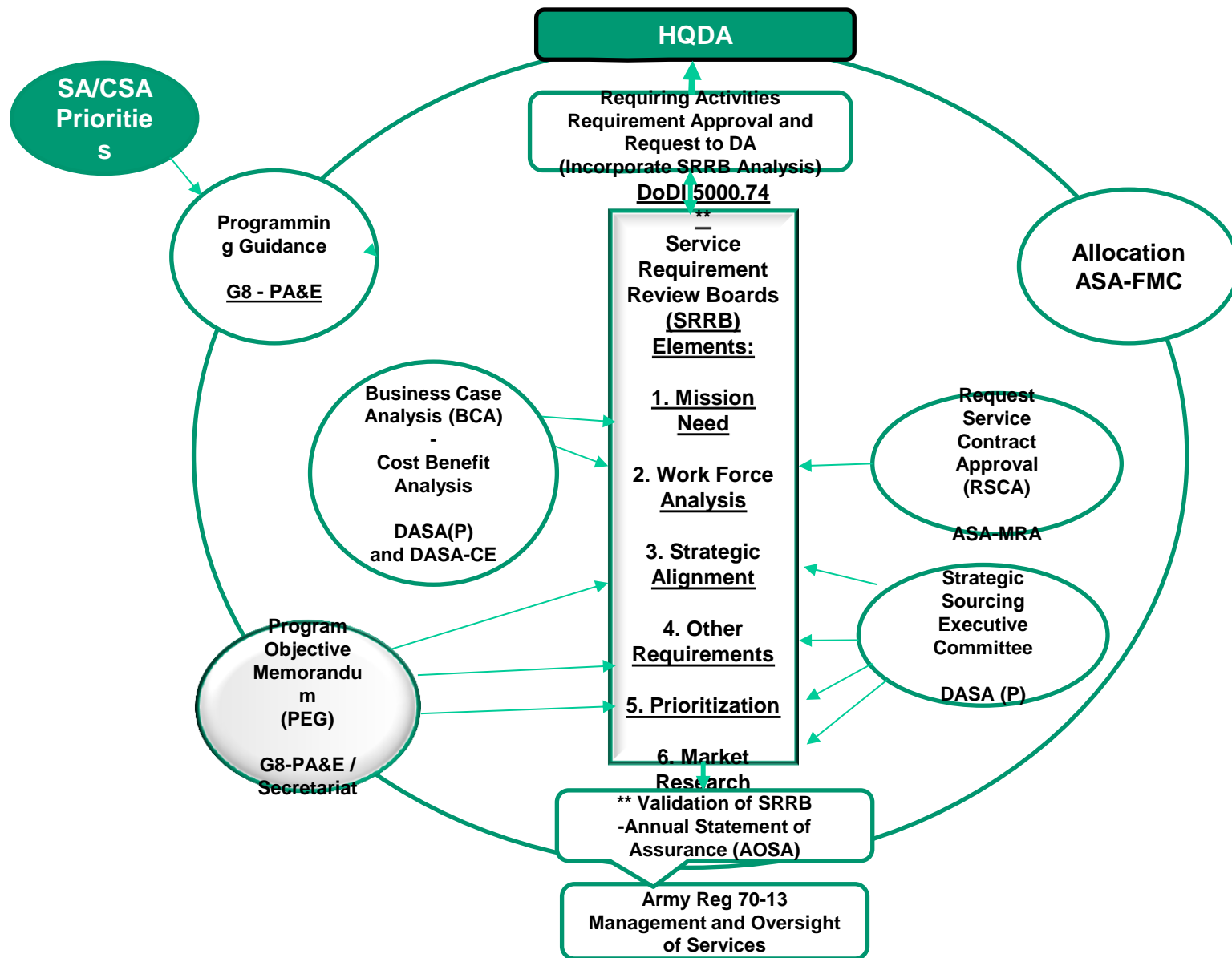
- Peer Reviews: (Regulation) DFARS Part 201
- Post Award Peer Review:  $\geq$ \$250M
- Peer Review Pre/Post Award:  $\geq$ \$1B

### Business Case Analysis (BCA)

The BCA Policy seeks to eliminate new overlapping and duplicative contracts within Federal Agencies

BCA Threshold:  $\geq$ \$50M

# Army Services Requirement Approval Processes





# Services Acquisition 7-Step Process

## SEVEN STEPS TO SERVICE ACQUISITION PROCESS



## SERVICE ACQUISITION LIFE CYCLE DELIVERABLES



Services acquisitions is a team effort involving Stakeholders from the Requiring and Contracting Activities, requiring Defense Acquisition University and the OSSM active participation





# Strategic Sourcing Governance

**Deputy Assistant Secretary Army (Procurement)**  
**The Senior Service Manager is the**  
**HQDA focal point for Strategic Sourcing**



## Army Strategic Sourcing Governance Structure

### **SSEC**

#### **Strategic Sourcing Executive Committee**

- Executive championship
- Set strategic vision, direction, and priorities
- Drive commonality & standardization
- Eliminate duplication

### **SSSG**

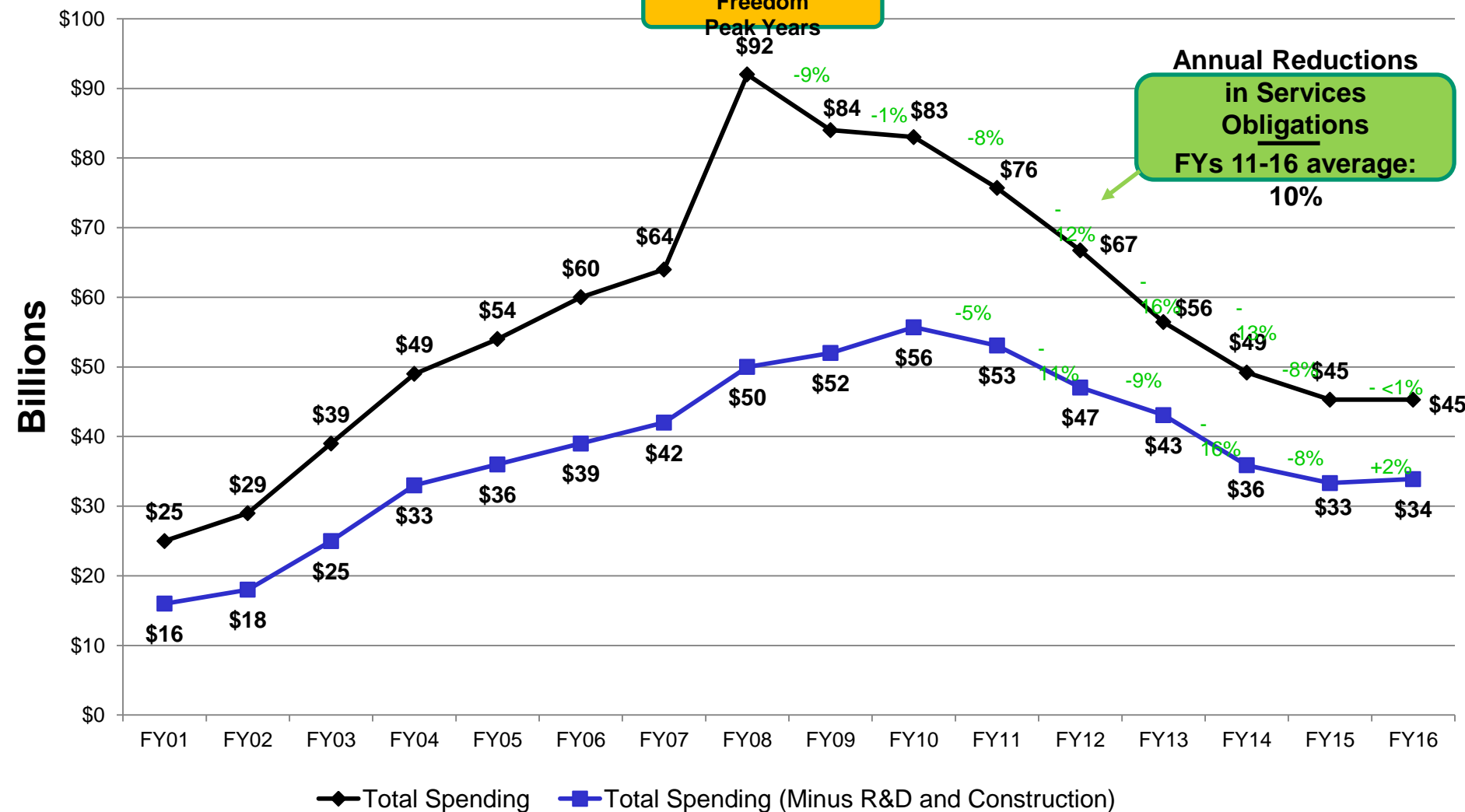
#### **Strategic Sourcing Steering Group**

- Plan & orchestrates Army-wide communications
- Recommend Policies to DASA-P/SECARMY
- Assist working groups
- Tracks and reports progress to the SSEC
- Monitor DoD/Federal initiatives

### **SSWG**

#### **Strategic Sourcing Working Group**

- Establish commodities teams
- Functional area prioritization
- Developing demand/forecast
- Tactical planning, scheduling and resource management
- Execute strategic sourcing strategies (Model)



Sources:

1. FPDS-NG DPAP Certified Data, FYs 01-FY15
2. FPDS-NG, DPAP BIT, as of 17 Oct 16
3. All agencies funding on Army Contracts



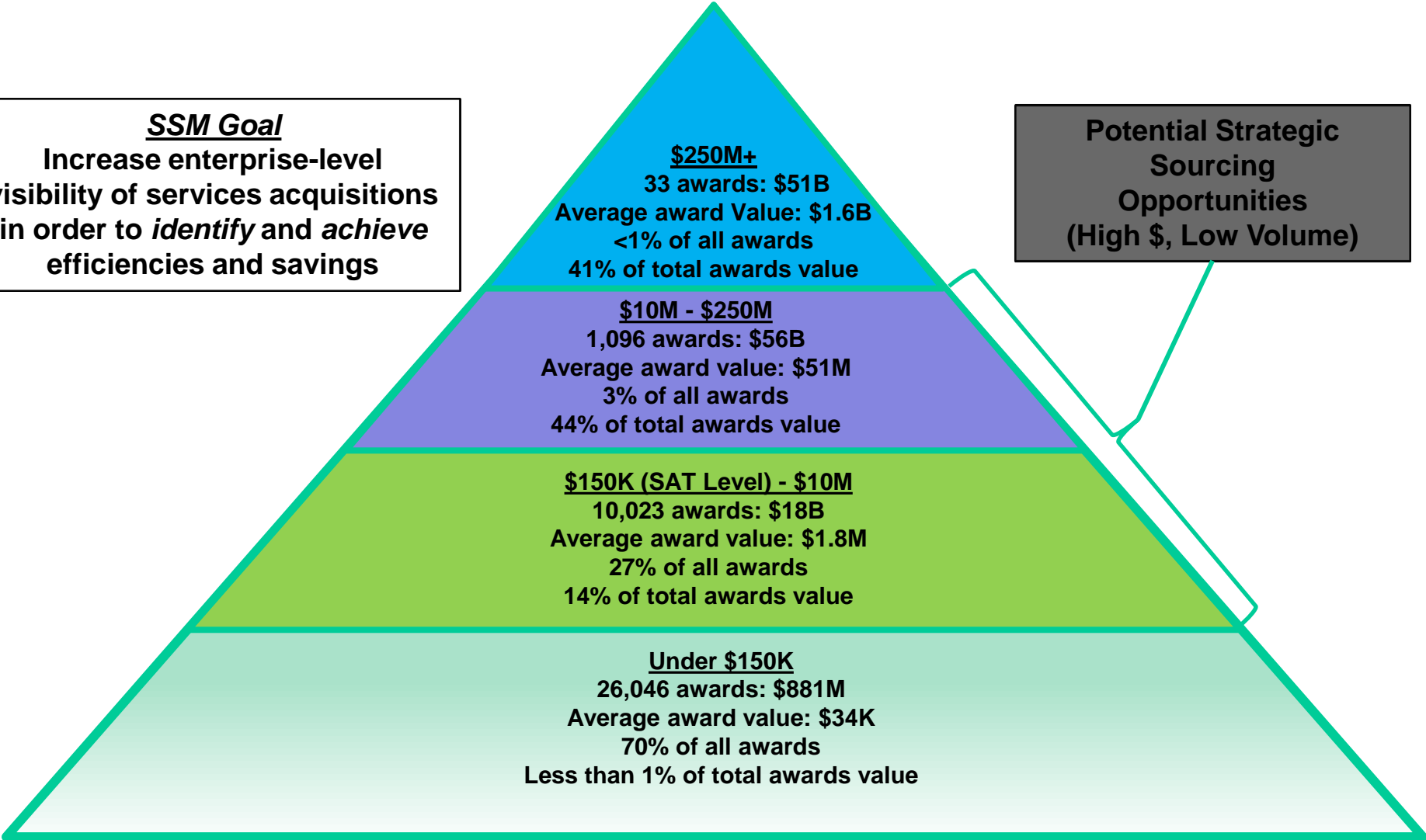
# New Army Contract Awards FYs 2014-2016



Total ceiling value of new awards: \$126B; Total number of new awards: 37,198

**SSM Goal**  
Increase enterprise-level  
visibility of services acquisitions  
in order to *identify* and *achieve*  
efficiencies and savings

Potential Strategic  
Sourcing  
Opportunities  
(High \$, Low Volume)



Source: FPDS-NG, FY14-16; Army funds on Army-awarded contracts (Multiple/Single-Awd); excludes Construction and R&D



# FY 2016 Army Services Acquisitions



## by Portfolio Group Obligations

### ***Knowledge Based Services (\$10.8B)***

- Education & Training Services
- Program Management Services
- Management Support Services
- Administrative & Other Services
- Professional Services
- Engineering & Technical Services

### ***Equipment Related Services (\$4.4B)***

- Maintenance, Repair and Overhaul
- Equipment Modification
- Installation of Equipment
- Quality Control
- Technical Representative Services
- Purchases & Leases
- Salvage Services

### ***Facility Related Services (\$11.9B)***

- Architect/Engineering Services
- Operation of Gov't Facilities
- Building & Plant Maintenance
- Natural Resource Management
- Utilities
- Housekeeping & Social Services
- Purchases & Leases
- Machinery & Equipment Maint

### ***Medical Services (\$517M)***

- General Medical Services
- Dentistry Services
- Specialty Medical Services

### ***Electronics & Communications Services (\$4.0B)***

- IT Services
- Telecom Services
- Equipment Maintenance
- Equipment Leases

### ***Transportation Services (\$273M)***

- Transportation of Things
- Transportation of People
- Other Travel & Relocation Services

**FY 2016 Total: \$45.3B**

### ***Logistics Management Services(\$2.1B)***

- Logistics Support Services
- Logistics Civil Augmentation Program

***Construction (\$7.5B)***

***Research and Development (\$3.9B)***

## FY16 – Redstone Arsenal Services Total Contract Value

Prod or Svc Portfolio Group	Number	Total Value
Research & Development*	150	\$7,742,149,556
Knowledge Based Services	116	\$4,294,676,843
Facility Related Services	126	\$3,058,654,493
Electronic & Communication Services	83	\$1,014,931,802
Equipment Related Services	30	\$681,307,335
Logistics Management Services	5	\$50,385,670
Construction Services*	18	\$41,253,224
Transportation Services	2	\$43,150
<b>Totals:</b>	<b>532</b>	<b>\$16,953,426,938</b>

\* Not Included in Services Taxonomy



# FY16 – Redstone Arsenal Services Obligation

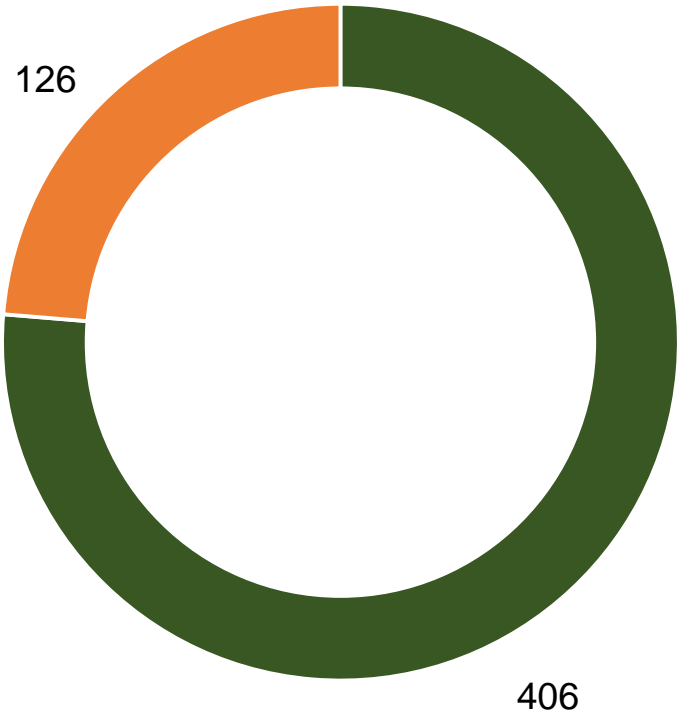
Prod or Svc Portfolio Group	Obligated Amt	% Total Spend
Construction Services*	\$75,559,555	1.03%
Electronic & Communication Services	\$707,613,836	9.65%
Equipment Related Services	\$1,839,170,910	25.08%
Facility Related Services	\$966,627,871	13.18%
Knowledge Based Services	\$2,661,615,628	36.29%
Logistics Management Services	\$210,280,875	2.87%
Medical Services	2,657,388	.04%
Research and Development	\$869,182,274	11.85%
Transportation Services	\$1,614,312	0.02%
<b>Total:</b>	<b>\$7,334,332,649</b>	

\* Not Included in Services Taxonomy

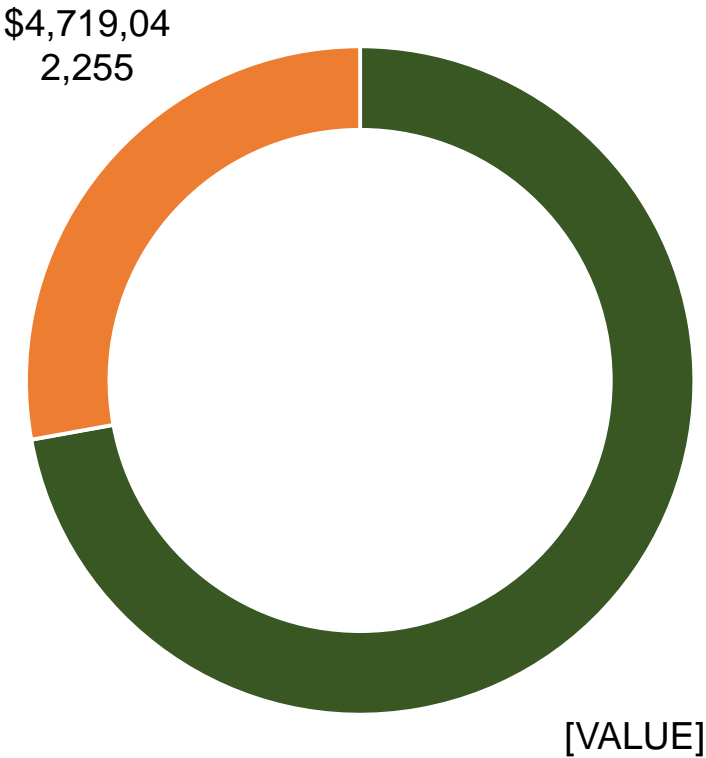


# FY16 – Redstone Arsenal Services by Portfolio

Number of New Service Contracts



Total Value of New Service Contracts



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## Way Ahead

- SEC Army Memo to implement recent DoDI 5000.74, Defense Acquisition of Services
- Implement Army Services Policies and Governance
- Continue engagements with Requiring and Contracting Activities to Educate, Advise and Obtain feedback on Army Services Management Procedures.
- Develop and Provide Training for Managers of Services Requirements
- Pursue Services Strategic Sourcing Opportunities
- Keep Army Leadership Informed of Services Oversight efforts